NOTICE OF PROOF OF ANNUAL LABOR

The undersigned, in whose behalf the following described work was performed, certifies that at least Four Hundred (\$400.00) Dollars were expended, and/or the following labor expended, or improvements made having a value thereof, consisting of:

1) Geological Mapping
2) Geochemical Sampling

(See Exhibit "A")

were performed and made upon the following contiguous mining claims:

BLUE NOSE No. 40 BLUE NOSE No. 41 BLUE NOSE No. 42 BLUE NOSE No. 43

located in Sections 20, 29 and 32 of Township 8 South, Range 69 East, in the VIOLA MINING DISTRICT of the County of Lincoln, State of Nevada, during the year ending 12:00 Noon, September 1, 1977.

The claim map showing said claims is filed as document number 52228 and 52229 in the Lincoln County Records.

The work described above was performed in August, 1977 by Marcus Lieberman and Roderick Eggert, geologists for the Houston Oil and Minerals Corporation.

Such expenditure was made by the Houston Oil and Minerals Corporation acting as agent for Mona F. Holt, James LeRoy Holt, and Violet G. Holt, owners of said claims for the purpose of holding same.

HOUSTON OIL & MINERALS CORPORATION

STATE OF COLORADO) CITY AND)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this

26th day of August, 1977, by Rene E. Fournier

Witness my hand and official seal.

My commission expires:

22 nut

EXHIBIT "A"

Geological mapping consisting of 24 man hours during August, 1977 was accomplished by HOUSTON OIL AND MINERALS CORPORATION personnel on the Blue Nose Claims Nos. 40, 41, 42 and 43. The work consisted of surveying (see accompanying map) by compass, and tape and recording the nature of the rock and soil at each sample station.

Concomitant geochemical sampling was also accomplished as the geology was mapped. Approximately 31 samples were collected at sample sites (see accompanying map) and sent to Skyline Laboratory. Denver, Colorado for analysis.

The work indicates the presence of shallow shelf limestone rock.

Qualifications of the persons involved in the survey are reviewed below:

MARCUS LIEBERMAN:

Bachelor of Science in Geology, Queens (New York)

Master of Science in Geology, City College of New

York.

RODERICK EGGERT:

Candidate, Bachelor of Science in Geology, Dartmouth University, Hanover, New Hampshire.

60305FILED AND RECORDED AT REQUEST OF STON OIL & MINERAL Aug 31. 1977 AT 40 MINUTES PAST 2. O'CLOCK M IN BOOK 22 OF OFFICIAL RECORDS, PAGE _ COUNTY, NEVADA